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- 1. Evidence of the alteration of the basic economic policy in Czechoslovakia from emphasis on the production of capital goods to the acquisition of consumer goods continues to accumulate. The cutback of capital goods production, including that of machine tools, from the original goals will be 14.2 percent in the year 1953. There are signs that a number of the long-term orders of investment goods for other Soviet satellite states are being cancelled.
- 2. Efforts on the part of the Czechs to procure more consumer goods, and especially foodstuffs, are taking the ferm of a renewed drive to export to the western European countries. Because of the urgent need for foreign exchange, a number of Czech export items are being offered at prices well below the world market level. 1

Comment. The Czechs appear willing to sell almost any finished goods 25X1 at less than production costs in order to obtain food, especially meat. The Czech government appears concerned about the possible reaction of the population if a number of food shortages are not alleviated.

25 YEAR RE-REVIEW

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